

**United States Bankruptcy Court**  
**Northern District of Ohio**  
**Eastern Division**

IN RE	}	CASE NO. 14-14888
CHARLES TIMOTHY MURPHY	}	CHAPTER 7 PROCEEDINGS
	}	
Debtor	}	
	}	CHIEF JUDGE PAT E.
	}	MORGENSTERN-CLARREN
CHARLES TIMOTHY MURPHY	}	
	}	
Plaintiff	}	ADV. PROC. NO. 14-1202
	}	
v.	}	
	}	
SALLIE MAE, et al.	}	
	}	
Defendants	}	

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**MOTION OF TEXAS GUARANTEED STUDENT LOAN CORPORATION TO  
INTERVENE AS PARTY DEFENDANT AND FOR EXTENSION OF TIME**

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Now comes Texas Guaranteed Student Loan Corporation (hereinafter “TGS LC”), by and through counsel, and respectfully moves this Court for an Order permitting it to intervene as a Party Defendant in the within matter. TGS LC further asks this Court for an extension of time of ten (10) days after the Motion to Intervene is granted within which to file its Answer.

**BRIEF IN SUPPORT**

TGS LC shows the Court that this is an action for determination of whether repayment of student loans by Debtor/Plaintiff Charles Timothy Murphy would constitute an undue hardship, thereby warranting their discharge under 11 U.S.C. §528(a)(8). Movant TGS LC is a guarantor under the Federal Family Education Loan Program (“FFELP”) which is the holder of certain student loans incurred by Plaintiff/Debtor Charles Timothy Murphy.

Debtor/Plaintiff Charles Timothy Murphy has named as a Defendant in the within proceeding Sallie Mae Servicing, which is now known as Navient Solutions. Navient Solutions, as the holder of certain student loans, has made claim upon TGSLC, as guarantor, to pay said student loans, in return for which it has assigned the student loans that it holds to TGSLC. Attached as Exhibit A is the Claim Form submitted to Movant by Navient Solutions, f/k/a Sallie Mae Servicing, evidencing the Claim it has made upon Movant, as Guarantor (which claim has been honored) to pay off the student loans to it under its guaranty of same. In return, as demonstrated by the language at the bottom of the Claim Form, Navient Solutions has assigned said loans to Movant: “for value received the Lender/Holder hereby assigns all rights, title and interest in the loan(s) listed in Section III of this Form to the Guarantor or its Successor.” Movant, therefore, is the holder of two (2) student loans distributed on behalf of Debtor/Plaintiff in April 2006 having an outstanding principal balance of Eighteen Thousand Three Hundred Ninety-six Dollars and Eighty-Six Cents (\$18,396.86) plus interest accruing thereafter.

TGSLC is a student loan guaranty agency in the FFELP Program. TGSLC has acquired, by payment of its guarantor obligation, the student loans owed by Debtor/Plaintiff at issue herein.

Bankruptcy Rule 7024, incorporating Federal Rule of Civil Procedure 24, grants the right to intervene where the Applicant claims an interest relating to the property or transaction which is the subject of the action and the Applicant is so situated that the disposition of the action may, as a practical matter, impair or impede the Applicant’s ability to protect that interest. The interest of TGSLC as a party acquiring the obligations from Navient Solutions is not adequately protected or represented by any existing party to this action.

Moreover, Rule 25 of the Federal Rules of Civil Procedure, made applicable by Bankruptcy Rule 7025, provides that upon transfer of an interest at issue, the Court may, upon Motion “direct the person to whom the interest is transferred to be substituted in the action or joined with the original party. Here, TGSLC is the transferee of the student loans at issue and should be made a Party Defendant to the action.

TGSLC further asks this Court to grant it leave to file its Answer as an Intervenor/Defendant to the Complaint herein within ten (10) days of the Court granting this Motion to Intervene.

Respectfully submitted:

/s/ Frederick S. Coombs, III

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**Attorney for Texas Guaranteed Student  
Loan Corporation**

## CERTIFICATE OF SERVICE

I certify that on December 9, 2014, a true and correct copy of the **Motion of Texas Guaranteed Student Loan Corporation**, was served:

Via the Court's Electronic Case Filing System on these entities and individuals who are listed on the Court's Electronic Mail Notice List:

Wesley A. Johnston, Esq., on behalf of Charles T. Murphy, Plaintiff, at [wesleyajohnston@gmail.com](mailto:wesleyajohnston@gmail.com)

And via ordinary U.S. Mail upon the following:

Education Department  
Office of the General Counsel  
400 Maryland Ave, S.W., Room 6E353  
Washington, D.C. 20202

Respectfully submitted:

/s/ Frederick S. Coombs, III

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